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R 271541Z MAY 09
FM AMEMBASSY THE HAGUE
TO RUEHC/SECSTATE WASHDC 2861
INFO RUEHRL/AMEMBASSY BERLIN 1789
RUEHBY/AMEMBASSY CANBERRA 2806
RUEHCP/AMEMBASSY COPENHAGEN 6734
RUEHLO/AMEMBASSY LONDON 1844
RUEHNY/AMEMBASSY OSLO 5040
RUEHOT/AMEMBASSY OTTAWA 5250
RUEHFR/AMEMBASSY PARIS 1472
RUEHRO/AMEMBASSY ROME 2442
RUEHSM/AMEMBASSY STOCKHOLM 4738
RUEHTC/AMEMBASSY THE HAGUE
RUEHKO/AMEMBASSY TOKYO 1825
RUEHWL/AMEMBASSY WELLINGTON 0356
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UNCLAS THE HAGUE 000316

SENSITIVE
SIPDIS

E.O. 12958: N/A
TAGS: [SENV](#) [KGHG](#) [NL](#)
SUBJECT: NETHERLANDS: CLIMATE ADAPTATION FUNDING

REF: STATE 50886

SENSITIVE BUT UNCLASSIFIED; PLEASE HANDLE ACCORDINGLY.

¶1. (SBU) SUMMARY: The Government of the Netherlands (GONL) is providing 18 million Euros (USD 24.5 million) of adaption-related development aid in 2009. The GONL wants to contribute more, but plans are hampered by a challenging budget environment. The Dutch are most amenable to collaborating with other donors on climate adaptation, but they feel sidelined as they do not participate directly in the Major Economies Forum on Energy and Climate. END SUMMARY.

¶2. (SBU) EconOff met with Ministry of Foreign Affairs (MFA) climate change officials to discuss reftel points on climate adaptation funding. Jan-Peter Mout, the MFA's point person on climate-related development assistance, said the GONL is contributing approximately 18 million Euros for adaptation in ¶2009. (Note: This figure excludes GONL direct, non-earmarked funding to NGOs that have climate projects in developing countries. End note.) The main recipients are:

- UN Least Developed Countries Fund;
- Red Cross to prepare for climate-related disasters;
- Bilateral capacity-building projects in 13 developing countries; and
- World Bank study "Economics of Adaptation" (co-financed by the UK and Switzerland) to develop a bottom-up estimate of adaptation costs.

¶3. (SBU) Mout said the GONL's adaptation funding was smaller than it should be, as the cabinet now in office had committed to spending several times that amount by 2011. He said the adaptation account is currently hostage to political negotiations over the government's deteriorating finances. The overall Dutch development assistance budget is pegged as 0.8 percent of GDP. With Dutch GDP contracting and a steeply rising budget deficit, the aid budget is under considerable pressure. Development Minister Bert Koenders has argued that adaptation funding should be in addition to the traditional 0.8 percent level, as it should not displace existing programs that support the Millennium Development Goals (the core mission of Dutch assistance).

14. (SBU) The MFA officials welcomed the news of the President's requested funding increase for international adaptation. But they questioned how developing country governments would react given their criticism of the World Bank Clean Technology Fund for cutting them out of the funding mechanism. The GONL supports these multilateral funds and is seeking the right balance with bilateral programs. The Dutch are most amenable to collaborating with other donors on climate adaptation, but they feel sidelined as they do not participate directly in the Major Economies Forum on Energy and Climate.

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